review the trend of each nationalised bank and remedy the state of affairs; and

(d) if so, the steps taken in that direction?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.P. VEERENDRA KUMAR): (a) to (d) Reserve Bank of India have reported that aggregate deposits of the 19 nationalised banks have shown a growth of Rs. 23,710.71 crore (10.0 per cent) during the current financial year (upto February 14, 1997) as compared with a rise of Rs. 9,515.23 crore (4.4 per cent) in the corresponding period of 1995-96. The non-food credit however increased by Rs. 3,344.93 crore (2.8 per cent) against a rise of Rs. 11,427.73 crore (11.0 per cent) last year.

The lower growth in credit has not adversely affected the viability of the banking system as banks have deployed their resources by way of incresed investments in Government Securities. During the current financial years (upto February 14, 1997) nationalised banks investments in Government and other approved securities increased by Rs. 12,664 crore as compared with an increase of Rs. 6,721 crore in the corresponding period last year.

Submission of Annual Report by Non-Banking Financial Companies to RBI

1709. SHRI K.M. KHAN: Will the Minister of FINANCE be pleased to state:

(a) whether the Reserve Bank of India proposes to take stringent action against non-banking financial companies if they fail to submit a copy of Annual Report to the RBI within fifteen days of the annual general meeting of the company;

(b) if so, the details thereof;

(c) whether some objectives will be achieved with this move; and

(d) if so, the details thereof and if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. P. VEERENDRA KUMAR): (a) and (b) Under the Resesve Bank of India NBFC (RB) Directions 1977, Non-Banking Financial Companies (NBFCs) are required to furnish a copy of the annual report to the RBI within 15 days of the Annual General Meeting in which the accounts were adopted. In view of the indifferent compliance by the NBFCs of these requirements, RBI has recently issued a press release cautioning the NBFCs that non-compliance with statutory requirement may invite stringent action under the relevant provisions of the law.

(c) and (d) RBI has stipulated the above requirement in order to be able to examine the financial position of the NBFCs as also to ascertain whether the Directions/guidelines relating to mobilisation of deposits, maintenance of liquid assets, pattern of investment, concentration of credit, etc. are complied with and to take expeditious remedial steps wherever necessary.

Agriculturists Under Inocme Tax Net

1710. SHRI K.M. KHAN: Will the Minister of FINANCE be pleased to state:

(a) whether Government are opposed to bring agriculturists into the income tax net; and

(b) if so, the details thereof and reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. P. VEERENDRA KUMAR): (a) and (b) Agricultural income cannot be brought to tax by the Union Government on account of the prohibition contained in entry 82 of the "Union List" (i.e. List I) of the Seventh Schedule to the Constituion of India.

However, agricultural income is aggregated with income other than agricultural income for determining the average rate of tax chargeable on income other than agricultural income.